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## City Council Work Session Minutes

Monday, December 12, 2016

**Westside Planning – Part II: Infrastructure & Funding 5:30 p.m., Community Auditorium**

***Minutes are unofficial until approved by Council.  
Council approved minutes as presented January 9, 2017.***

### 1. **ROLL CALL:**

Mayor Peter Truax called the Work Session to order at 5:33 p.m.

**CALL: COUNCIL PRESENT:** Thomas Johnston, Council President; Timothy Rippe; Ronald Thompson; Elena Uhing; Matthew Vandehey; Malynda Wenzl; and Mayor Peter Truax.

**STAFF PRESENT:** Jesse VanderZanden, City Manager; Paul Downey, Administrative Services Director; Jon Holan, Community Development Director; Dan Riordan, Senior Planner; Rob Foster, Public Works Director; Rich Blackmun, Project Manager; Derek Robbins, Public Works Engineer; and Anna Ruggles, City Recorder.

### 2. **WORK SESSION: WESTSIDE PLANNING (PART II: INFRASTRUCTURE AND FUNDING APPROACH)**

Riordan, Holan and VanderZanden facilitated the work session, noting the purpose of the work session was to review the Westside Planning Area Funding Approach, consultant's report and recommendations, regarding the infrastructure necessary to develop the Westside Planning Area and potential funding methods. Holan reported staff held a work session with Council on November 14, 2016, which focused on Part I: Land Use Approach for the Westside Planning Area. Holan presented a PowerPoint presentation overview of the proposed infrastructure costs for transportation, water, sewer, stormwater and parks facilities in the Westside Planning Area, noting the projected cost for David Hill Planning Area is estimated to be \$34,932,400 and the Purdin Planning Area is estimated to be \$12,690,000 (estimated in today's dollars). Holan referenced a chart showing the expected Costs, Revenue and Net, which showed a funding gap of \$13,976,363 for transportation; \$3,200,152 for sewer; and \$527,460 for stormwater (assuming 100 percent of SDC revenues collected are dedicated to the area). In addition, Holan advised the consultant's report recommends the Westside Planning Area Funding Approach as follows:

Transportation (collectors)

- Use 40 percent of SDC from new development in Westside (\$6,501,775)
- Establish supplementary SDC of \$11,553 per unit (\$23,729,862) – Total \$30,231,637

Sewer System

- 100 percent SDC of both areas
- Supplementary SDC of \$1,427 for David Hill

Stormwater

- 100 percent of SDC
- \$7/month stormwater rate surcharge phase in over five years to finance deficit
- City may establish reimbursement district if surcharge is insufficient

Water System

- 100 percent of SDC

Parks

- 100 percent of SDC

Holan noted the consultant considered funding options for supplementary funds including:

- Supplementary SDC's
- Utility Fee
- Local Option Levy
- Local Improvement District/Reimbursement District

In conclusion of the above-noted staff report, Holan posed several policy questions pertaining to the infrastructure costs and funding options to address funding gaps in order for development to occur in the Westside Planning Area, noting three funding scenarios were evaluated that would dedicate varying levels of SDC revenues to the Westside Planning Area: 18 percent (reflects estimated share of future growth), 40 percent (area's share of total city-wide housing growth forecast over the next 20 years) and 100 percent (all revenues collected are dedicated to projects in the area).

Council Discussion:

Mayor Truax opened the floor and roundtable discussion ensued pertaining to the policy questions pertaining to the infrastructure costs and funding options (18 percent, 40 percent) to address funding gaps in order for development to occur in the Westside Planning Area. Holan and VanderZanden responded to various concerns, inquiries and scenarios Council presented pertaining to types of infrastructure, such as major street collectors, development issues, such as slope and circulation, infrastructure needs and costs, particularly funding gaps, and attributing costs to developers and future property owners within the planning area, to which Council collectively concurred that timing development and phasing in a manner that is generally concurrent with expected levels of market activity or absorption was important, i.e., recession. Holan advised the upfront costs to the City is approximately \$6 million, which is for adequate public facilities before major development could occur, noting SDC revenues accrue with new development, "pay as you go" approach. In conclusion of the above-noted Council discussion, Council collectively noted that they needed more information, to which VanderZanden advised staff would schedule a follow-up work session with Council with a preliminary funding strategy plan at a later date.

Council took no formal action nor made any formal decisions during the work session.

3. **ADJOURNMENT**

Mayor Truax adjourned the work session at 6:18 p.m.

Respectfully submitted,



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Anna D. Ruggles, CMC, City Recorder